

**EXHIBIT 1**

**STIPULATION AND ORDER**

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF DELAWARE

|  |                                    |
|--|------------------------------------|
| IN RE:   | Chapter 11                         |
| NORTHWESTERN CORP.,<br>Debtor.                         | Bankruptcy No.<br>03-12872 (JLP)   |
| MAGTEN ASSET MANAGEMENT<br>CORP.,<br>Appellant,        | Civil Action No.<br>05-00398 (JJF) |
| v.   |                                    |
| PAUL HASTINGS JANOFSKY &<br>WALKER, LLP.,<br>Appellee. |                                    |

### STIPULATION AND ORDER CONCERNING MEDIATION

WHEREAS, the Court issued an Order, dated June 29, 2005, appointing a Special Master/Mediator (“Mediator”) to conduct the mandatory mediation of Magten Asset Management Corporation’s (“Magten’s”) appeal of the Bankruptcy Court’s Order approving the Final Fee Application of Paul, Hastings, Janofsky & Walker LLP (“Paul Hastings”) (the “Fee Application Appeal” (Civil Action No. 05-398 (JJF)) pursuant to the terms of the Court’s Standing Order dated July 23, 2004 regarding the procedures governing mediation of appeals from the United States Bankruptcy Court (“Standing Order”);

WHEREAS, the parties are currently briefing Magten's earlier appeal from the Bankruptcy Court's Order denying Magten's motion to disqualify Paul Hastings from representing the debtor-in-possession, Northwestern Corporation, in the above referenced bankruptcy proceeding (the "Disqualification Appeal" (Civil Action No. 04-1279 (JJF))); and

WHEREAS, the Court's decision concerning the Disqualification Appeal may be relevant to the resolution of the Fee Application Appeal;

IT IS HEREBY STIPULATED AND AGREED, by and among the parties through their undersigned attorneys that:

1. The mediation of the Fee Application Appeal shall be postponed until after the Court's decision concerning the Disqualification Appeal;

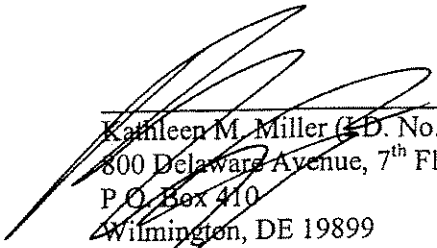
2. Within 30 days of the Court's decision concerning the Disqualification Appeal, the parties shall submit their confidential mediation position papers concerning the Fee Application Appeal to the Mediator;

3. In accordance with Section 3 of the Standing Order, briefing concerning the Fee Application Appeal shall be deferred until the mediation of the Fee Application Appeal has been completed unless the Court orders otherwise.

Dated: August 3, 2005

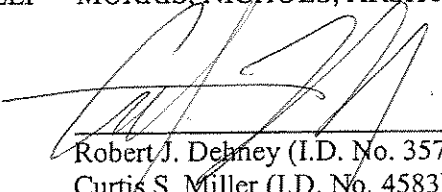
SO STIPULATED:

SMITH, KATZENSTEIN & FURLOW, LLP MORRIS, NICHOLS, ARSHT & TUNNELL



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SO ORDERED:

\_\_\_\_\_, 2005

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UNITED STATES DISTRICT JUDGE

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